

Preliminary Assessment of Criteria for Decision Issues

1. Preliminary assessment of our sample criteria, based on their application to the 1968 AF PCR's for the CIP, indicates:
 - a) That our cost criteria are too low in that they select all major program elements;
 - b) that the cost criteria involve detail which is not applicable -- the concept of compensatory reductions is not used; and
 - c) that the capabilities criteria cannot be applied because the PCR's do not include suitable data.
2. Examination of the PCR's indicates that even though substantial absolute or relative increases apply to one or more years for all of the major program elements (Table 1), the AF suggests review of only 4 of the 15 (Table 3).
3. A simplified, dual, cost criterion of a change of \$5 m. and 10 percent -- applied to 5-year costs(1969-73), costs in 1970 (the target year), and 1974 (the new year) relative to 1973 -- is

more workable (Table 1):

- a) It selects 9 of the 15 major program elements, *
and
- b) these 9 account for more than 95 percent of the
proposed over-all increase.

4. When a major program element is comprised of subsidiary projects the same dual criterion would be applied to select among them. (Four of the nine major program elements selected are so constituted). This was done for the Technical Sensor element; of its nine projects, six were selected by this criterion (Table 2). Air Force, however, suggested review of only 3 (Table 3).

5. Use of the dual cost criterion would require examination of fewer than 20 elements and subsidiary projects.

6. The attached tables show changes relative to the revised 1967 PCD. The changes would be somewhat greater if shown relative to the 1967 PCD (that is, without the interim changes). More significant than the absolute amount of change between the PCD and its revisions is the introduction of new programs. The most striking example is

* Virtually the same results as would be obtained by rank ordering the changes without regard to sign and selection of the median and all those above it.

Sentinel Foam: it was not included in the 1967 PCD, but since that decision \$10 m. has been approved for R&D in FY'69. The 1968 PCR now refers to Sentinel Foam as an approved program and requests another \$170 m. to complete the task. There was no DCI or NIPE participation re the mid-year approval.

TABLE 1

TOTALS BY PROGRAM ELEMENT

Approved For Release 2002/10/21 : CIA-RDP80B01138A000100050010-8

— change in \$ million

— To change if total change

		1969	1970	1971	1972	1973	Σ 69-73	Median	55m and 10 to 1969-73	55m and 10 to 1970	55m and 10 to 1971-73	AF
1	TOTAL (1)	2.3	193.8	120.1	67.0	54.9	438.1	100%				
2	ATT. AIR. (2)	0	9.5	13.5	-2.5		20.5	4.7	x	x	x	x
3	CIA (3)	0	1.4	0	1.7	1.0	4.1	0.9				
4	SAT (4)	0	6.1	12.1	16.5	13.4	48.5	11.1	x	x	x	x
5	NUMINT (5)	-0.1	0.8	0.5	0.6	0.6	2.4	0.5				
6	SR-71 (6)	0.7	1.1	0.7	3.2	3.3	9.2	2.1	x	x		x
7	IDHS (7)	-0.2	5.9	10.7	4.9	4.8	29.1	6.6	x	x	x	x
8	PROD. (8)	0.5	3.5	1.2	0.1	0	5.1	1.2				
9	ELINT GRS (9)	0.1	0.1	0.1	0.1	0.1	0.4	0.1				
10	COMM. TRC. (10)	1.7	5.5	1.6	1.7	1.6	12.1	2.8	x	x	x	x
11	DSSCS/SPINT (11)	0	1.9	0.4	0.6	0.5	3.4	0.8				
12	CREEK RIB (12)	0	-6.3	1.1	7.2	2.5	4.5	1.0	?		x	
13	RC-135 (13)	0.9	1.3	0.6	1.0	1.0	4.8	1.1				
14	CEBR SKY (14)	0	9.3	21.8	15.1	6.0	52.2	11.7	x	x	x	x
15	TECH. SENS. (15)	0.1	141.4	48.7	8.0	8.9	207.1	47.3	x	x	x	x
16	MCG (16)	-1.3	9.6	7.0	9.0	10.7	35.0	8.0	x		x	x

Approved For Release 2002/10/21 : CIA-RDP80B01138A000100050010-8

TECHNICAL SENSORS

TABLE 2

Approved For Release 2002/10/21 : CIA-RDP80B01138A000100050010-8

— change in \$ million
 — % change in \$ million
 — % change is if total change

	1969	1970	1971	1972	1973	Σ 69-73		Median	\$5m and 10% 1969-73	\$5m and 10% 1970-73	\$5m and 10% 1971-73	AF
TOTAL	0.1	141.4	48.7	8.0	4.9	207.1	100 %					
RIVET ANGER	-2.9	6.9	0.5	4.0	0.5	9.0	4.3	X	X	X	X	
RIVET BALL	2.5	-1.1	2.0	-1.1	2.0	4.3	2.1					
SENT. SHOE	0	0.3	0.3	0.3	0.3	1.2	0.6	?				
SENT. FOAM	0	84.0	25.0	1.9	2.2	113.1	54.6	X	X	X	X	X
TASK FL. Δ	1.3	1.9	1.7	1.8	1.4	8.5	4.1	X	X			
7499	0.6	3.6	1.1	-2.0	-1.5	1.8	0.9					
6091	-1.5	-1.3	-1.3	-1.3	-1.3	-6.7	-3.2		X			
SENT. SURF	-	30.3	12.0	-	-	42.3	20.4	X	X	X		X
SENT. HIST (FAN)	0	16.9	7.3	4.6	5.0	33.8	16.3	X	X	X	X	X
B. SAND	-	-	-	-	-	-	-					

Approved For Release 2002/10/21 : CIA-RDP80B01138A000100050010-8

TABLE 3

Criterion: Change of \$5m. and of 10 percent in 1968 PGR relative to revised 1967 PCD
for 1969-73; 1970; 1974/73

REF ID: A66113

Elements Meeting Criterion	1968-73	1970	1974/73	Combined	Index by RF	
Int. Ait.	X	X		2	X	1. Criterion picks up 9 of 15 program elements (about same as everything from median on up.) 2. These 9 account for $\approx 95\%$ of proposed increases.
S&T	X	X	X	3		
SR-7	X		X	2		
UDHS	X	X	X	3		3. As appropriate, expansion of elements into constituent projects (see below) would require examination of about 20 projects or program elements.
Coman Tac	X	X	X	3		
Crack Pot		X		1		
Clear Sky	X	X	X	3	X	
Tech. Sens.	X	X	X	3	X (3 of 9)	
MCG		X		1	X	
Tech. Sensors						
Rivet Ambush	X	X	X	3		1. Criterion picks up 6 of 9 projects within the program element (about same as using median). 2. These 6 account for $\approx 95\%$ of proposed increases.
Sent. Foam	X	X	X	3	X	
Tech. Pb. A	X			1		
6091	X			1		
Sent. Surf.	X	X		2	X	
Sent. Mist	X	X	X	3	X	